



Be Smart Buy Smart

What Smart Shoppers Know About Refunds

Basic Rules

Civil Code section 1723

Each store can set its own policy on refunds and exchanges. Usually, you aren't legally entitled to either.

Many stores will exchange nonsale items whether you buy with cash, check, or credit – but they don't have to.

Many sale items are nonrefundable and nonexchangeable.

If you exchange an item for an item that costs less, the store can require you to spend the remainder of the money in the store.

Posting of Refund Policy

If a store does not give full cash refunds, credit refunds, or equal exchanges for items returned within 7 days **with a receipt**, the law requires the store to conspicuously post its refund policy. The policy must be posted in at least one of the following ways.

- On signs at each cash register and sales counter
- At each public entrance
- On tags attached to each item sold under that policy
- On the retailer's order forms, if any

The store must state whether it will give a cash refund, store credit, or exchanges for the full amount of the purchase price, the applicable time period, the kinds of merchandise covered under the policy, and any other related condition.

This law does not apply to the following merchandise.

- Food
- Plants and flowers
- Perishable merchandise
- Merchandise marked "as is," "no returns accepted," "all sales final," or with a similar statement
- Merchandise that you use or damage
- Customized merchandise received as ordered
- Merchandise that isn't returned with its original package
- Merchandise that can't be resold because of health considerations (e.g., underwear, bathing suits)

Retailers who violate this law will be liable to the buyer for the amount of the purchase if the buyer returns, or tries to return, the merchandise on or before the 30th day after the purchase. Retailers who violate this law also will be subject to the Consumer Legal Remedies Act. This means they may have to pay the buyer actual damages, restitution, and/or punitive damages, and may be subject to injunctive relief and any other relief the court decides is proper.

Defective Merchandise

Civil Code sections 1791.1(a) and (c), 1792, 1792.3, and 1793.2(d)

Unless an item is sold “as is,” all new merchandise (except clothing and consumables) that is bought primarily for personal, family, or household use has a warranty implied by law.

This implied warranty states that the merchandise must be fit for ordinary purposes. The warranty exists for at least 60 days, or for as long as any written warranty accompanying the item (up to one year).

If an item sold with a written warranty is defective, you are entitled to have it repaired to conform to the warranty, and if the item cannot be repaired, to have it replaced or to receive a refund of the purchase price (excludes defects due to abuse).

If there is a written warranty and the defective item is too big to return, the company must either pay shipping costs or come to your home to provide service.

Misleading Ads or Incorrect Sales Information

If you can show that you bought something because of a misleading ad or incorrect information, you have a strong case for a refund instead of an exchange.

However, you may not be entitled to a refund or an exchange if you gave the store incorrect information before the sale. For example, if you told the salesperson that you need an 8 x 14 rug, and discovered that this size was too large after the rug was delivered, you may not be able to get a refund.

Gifts

The same general rules that apply to purchases you have made for yourself apply to gifts given to you by someone else. You have to depend on the store’s policy to accept the gift for a refund or an exchange.

Where To Go For Help

■ Your local consumer affairs agency (look in the white pages of your phone book under County Government).

■ The California Department of Consumer Affairs, Consumer Information Center, 400 R Street, Suite 1040, Sacramento, CA 95814, 1-800-952-5210, 916-322-1700 (TDD only)

■ As a last resort, you can try to get your money back by going to small claims court. Make sure you have as much evidence as possible to support your case; it may be your word against that of the store’s representative.

For Information on Other Consumer Topics

Visit the Department’s website at www.dca.ca.gov or call 1-800-952-5210.

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